

Senate Bill 44

By: Senators Tolleson of the 20th, Mullis of the 53rd, Rogers of the 21st, Hooks of the 14th, Harp of the 29th and others

AS PASSED

AN ACT

To amend Article 10 of Chapter 2 of Title 20 of the Official Code of Georgia Annotated, relating to contracts and purchases by public schools, so as to provide contractual and purchasing preferences for certain supplies, materials, equipment, and agricultural products manufactured or produced in this state; to amend Title 36 of the Official Code of Georgia Annotated, relating to local government, so as to provide contractual and purchasing preferences for certain supplies, materials, equipment, and agricultural products manufactured or produced in this state; to amend Part 1 of Article 3 of Chapter 5 of Title 50 of the Official Code of Georgia Annotated, relating to general authority, duties, and procedure relative to government purchasing, so as to provide contractual and purchasing preferences for certain supplies, materials, equipment, and agricultural products manufactured or produced in this state; to provide for applicability; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

Article 10 of Chapter 2 of Title 20 of the Official Code of Georgia Annotated, relating to contracts and purchases by public schools, is amended by revising Code Section 20-2-500, relating to promulgation of rules and regulations by the State Board of Education for contracts or purchases over \$100.00, as follows:

"20-2-500.

(a) The State Board of Education is authorized to promulgate rules and regulations to regulate contracts or purchases which involve the aggregate sum of \$100.00 or more for or on behalf of students of any public elementary or secondary school supported in whole or in part from public funds.

(b)(1) Such rules shall provide that such contracts for or purchases of supplies, materials, equipment, or agricultural products, including but not limited to school buses but not

including instructional materials or beverages for immediate consumption, for public elementary and secondary schools supported in whole or in part from public funds shall give preference as far as may be reasonable and practicable to such supplies, materials, equipment, and agricultural products as may be manufactured or produced in this state. Such preference shall not sacrifice quality.

(2) Such rules shall provide that, in determining whether such a preference is reasonable in any case where the value of a contract for or purchase of such supplies, materials, equipment, or agricultural products exceeds \$100,000.00, the local school district shall consider, among other factors, information submitted by the bidder which may include the bidder's estimate of the multiplier effect on gross state domestic product and the effect on public revenues of the state and the effect on public revenues of political subdivisions resulting from acceptance of a bid or offer to sell Georgia manufactured or produced goods as opposed to out-of-state manufactured or produced goods. Any such estimates shall be in writing. No local school district shall divide a contract or purchase which exceeds \$100,000.00 for the purpose of avoiding the requirements of this paragraph.

(c) Nothing in this Code section shall negate the requirements of Code Section 50-5-73."

SECTION 2.

Title 36 of the Official Code of Georgia Annotated, relating to local government, is amended by revising Chapter 84 in its entirety as follows:

"CHAPTER 84

36-84-1.

(a) As used in this Code section, the term 'local government' means a county, municipality, or consolidated government.

(b) Local governments, when contracting for or purchasing supplies, materials, equipment, or agricultural products, excluding beverages for immediate consumption, shall give preference as far as may be reasonable and practicable to such supplies, materials, equipment, and agricultural products as may be manufactured or produced in this state. Such preference shall not sacrifice quality.

(c) In determining whether such a preference is reasonable in any case where the value of a contract for or purchase of such supplies, materials, equipment, or agricultural products exceeds \$100,000.00, the local government shall consider, among other factors, information submitted by the bidder which may include the bidder's estimate of the

multiplier effect on gross state domestic product and the effect on public revenues of the state and the effect on public revenues of political subdivisions resulting from acceptance of a bid or offer to sell Georgia manufactured or produced goods as opposed to out-of-state manufactured or produced goods. Any such estimates shall be in writing. No local government shall divide a contract or purchase which exceeds \$100,000.00 for the purpose of avoiding the requirements of this subsection.

(d) Nothing in this Code section shall negate the requirements of Code Section 50-5-73."

SECTION 3.

Part 1 of Article 3 of Chapter 5 of Title 50 the Official Code of Georgia Annotated, relating to general authority, duties, and procedure relative to government purchasing, is amended by revising Code Section 50-5-60, relating to preference to supplies, equipment, materials, and printing produced in Georgia generally, as follows:

"50-5-60.

(a) The state and any department, agency, or commission thereof, when contracting for or purchasing supplies, materials, equipment, or agricultural products, excluding beverages for immediate consumption, shall give preference as far as may be reasonable and practicable to such supplies, materials, equipment, and agricultural products as may be manufactured or produced in this state. Such preference shall not sacrifice quality.

(b) Vendors resident in the State of Georgia are to be granted the same preference over vendors resident in another state in the same manner, on the same basis, and to the same extent that preference is granted in awarding bids for the same goods or services by such other state to vendors resident therein over vendors resident in the State of Georgia.

(c) In determining whether such a preference is reasonable in any case where the value of a contract for or purchase of such supplies, materials, equipment, or agricultural products exceeds \$100,000.00, the state or its department, agency, or commission shall consider, among other factors, information submitted by the bidder which may include the bidder's estimate of the multiplier effect on gross state domestic product and the effect on public revenues of the state and the effect on public revenues of political subdivisions resulting from acceptance of a bid or offer to sell Georgia manufactured or produced goods as opposed to out-of-state manufactured or produced goods. Any such estimates shall be in writing. The state or its department, agency, or commission shall not divide a contract or purchase which exceeds \$100,000.00 for the purpose of avoiding the requirements of this subsection.

(d) Nothing in this Code section shall negate the requirements of Code Section 50-5-73."

SECTION 4.

Said part is further amended by revising Code Section 50-5-61, relating to state and local authority preferences for supplies, materials, equipment, and agricultural products produced in Georgia, as follows:

"50-5-61.

(a) State and local authorities created by law, in the purchase of and contracting for any supplies, materials, equipment, and agricultural products, excluding beverages for immediate consumption, shall give preference as far as may be reasonable and practicable to such supplies, materials, equipment, and agricultural products as may be manufactured or produced in this state. Such preference shall not sacrifice quality.

(b) In determining whether such a preference is reasonable in any case where the value of a contract for or purchase of such supplies, materials, equipment, or agricultural products exceeds \$100,000.00, the state or local authority shall consider, among other factors, information submitted by the bidder which may include the bidder's estimate of the multiplier effect on gross state domestic product and the effect on public revenues of the state and the effect on public revenues of political subdivisions resulting from acceptance of a bid or offer to sell Georgia manufactured or produced goods as opposed to out-of-state manufactured or produced goods. Any such estimates shall be in writing. No state or local authority shall divide a contract or purchase which exceeds \$100,000.00 for the purpose of avoiding the requirements of this subsection.

(c) Nothing in this Code section shall negate the requirements of Code Section 50-5-73."

SECTION 5.

Said part is further amended by revising Code Section 50-5-62, relating to state preferences for local sellers of Georgia products, as follows:

"50-5-62.

Reserved."

SECTION 6.

This Act shall not be applied to impair an obligation of any contract entered into prior to the date this Act becomes effective.

SECTION 7.

All laws and parts of laws in conflict with this Act are repealed.